

**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
OF THE STATE OF CALIFORNIA**

**APPLICATION FOR CERTIFICATION
OF THE
ROSEVILLE ENERGY FACILITY
BY ENRON NORTH AMERICA CORPORATION**

DOCKET No. 01-AFC-14
DATA ADEQUATE
OCTOBER 17, 2001

ORDER SUSPENDING AFC THROUGH AUGUST 29, 2003

Summary

On August 5, 2002, the Roseville Energy Facility, L.L.C., a wholly owned subsidiary of Enron North America Corporation (Enron or Applicant), filed a request to suspend proceedings on the application for certification (AFC) for one year. Since the Applicant has not demonstrated an urgency to proceed with the AFC, we grant the suspension through August 29, 2003.

Background

Enron submitted the AFC on August 10, 2001. The Energy Commission found the application data adequate for the twelve-month review process beginning on October 17, 2001.

On March 15, 2002, Enron proposed a revised schedule extending the twelve-month process by an additional three months to resolve several technical and environmental issues. On May 9, 2002, we issued an Order Extending the Schedule based upon agreement of the parties. The Order set a deadline of July 1, 2002, for Applicant's pending data responses and included a day-for-day schedule slip upon delays in the submittal of required information. Subsequent to the filing of Applicant's data responses in July 2002, Energy Commission staff indicated that additional information would be necessary to complete the review process. On August 5, 2002, Enron submitted the instant request to suspend the AFC for one

year due to the Applicant's inability to secure funding as a result of its bankruptcy proceeding.¹ Energy Commission staff does not oppose the request for suspension.

Discussion

The Energy Commission is currently reviewing several expedited and twelve-month power plant proposals. We are concerned that Energy Commission staff and the governmental agencies involved in these reviews direct their administrative resources to viable projects. Project proposals that are ready to proceed have priority. Review of the Roseville Energy Facility continues to be delayed due to the Applicant's financial constraints and several complex environmental and engineering concerns. Suspension of the review process in this case will therefore allow governmental resources to focus on projects that are more complete.

We find no compelling reason to deny Enron's suspension request since there is no apparent urgency to move the case forward. While withdrawal of the application would require Enron to re-file and repeat the data adequacy process, a long-term suspension accomplishes the same result. We therefore suspend the AFC review for one year through August 29, 2003, to eliminate the need for additional suspension requests. At the conclusion of the suspension period, we will not initiate review of the application until all information in the AFC is deemed current by Energy Commission staff.

The suspension of proceedings does not freeze the application as of October 17, 2001, when the AFC was accepted. While the application is in the Energy Commission queue, it remains subject to current laws, ordinances, regulations, and standards (LORS). As a practical matter, the one-year suspension will render some of the previously filed data obsolete. We will require Enron to provide necessary updated information before allowing the AFC review process to resume, which includes evidence of compliance with applicable LORS in effect at that future time.

¹ Enron notified the Committee of the potential sale of Roseville Energy Facility, L.L.C. in connection with the bankruptcy proceeding. All references to Enron and the Applicant herein include Enron and/or its successors in interest regarding ownership of the Roseville Energy Facility, which is the subject of this AFC.

To ascertain whether Enron is making progress in developing the project, Enron shall file and serve status reports beginning on September 16, 2002, and every thirty days thereafter. The final status report, which is due on August 15, 2003, shall indicate whether the Applicant is ready to proceed. Each status report shall specify activities undertaken by Enron to resolve the issues identified in our May 9, 2002, Order Extending Schedule. At any time during the suspension period, the Committee will consider proposals by Enron to proceed with the application.

ORDER

Enron's request to suspend the application process is **GRANTED**. Energy Commission review of the AFC in the above-captioned matter is suspended for one year through August 29, 2003, subject to the following conditions:

1. During the suspension of proceedings, Energy Commission staff and all responsible agencies shall cease work on the application and all discovery shall be stayed.
2. The Applicant shall file and serve status reports beginning on September 16, 2002, and every thirty days thereafter. The final status report, which is due on August 15, 2003, shall indicate whether the Applicant is ready to proceed. Each status report shall specify new activities undertaken by the Applicant to resolve the issues identified in our May 9, 2002, Order Extending Schedule.
3. At the conclusion of the suspension period, the Committee schedule for the AFC review process shall be stayed until the Applicant submits critical path information requested by Energy Commission staff to update any obsolete data that served as a basis for the data adequacy finding on October 17, 2001, as well as any obsolete information contained in the data responses filed in July 2002.
4. Upon resumption of the review process, the Applicant shall submit a complete AFC that contains all updated information in one document.

5. The AFC shall comply with all applicable LORS in effect at the time that the review process is resumed.
6. At any time during the suspension period, the Applicant may petition the Committee to resume the AFC review process.
7. If the Applicant is not ready to proceed with the AFC by August 29, 2003, the Committee will consider terminating this proceeding either upon our own motion or that of a party. (See, Tit. 20, Cal. Code of Regs., § 1720.2.)

Dated August 13, 2002, at Sacramento, California.

WILLIAM J. KEESE, Chairman
Committee Member
Roseville AFC Committee